

# New Form Approval Process

# Background

- New Process is effective April 1, 2014
- Changes Chapter 4 in the Library Manual (*the reissued 2014 manual will be available for download from our website in the very near future.*)

# Why Have Form Approvals?

- IC 5-11-1-2 requires State Board of Accounts to prescribe and install a system of accounting and reporting which is uniform for every public office and every public account of the same class.
- The system must contain written standards that an entity subject to audit must observe  
(Uniform Compliance Guidelines)

# Approve Accounting Systems

- Prescribed Forms
  - General Forms
  - Library Forms
- Uniform Compliance Guidelines

# Forms Approved Previously

- All forms previously approved by State Board of Accounts by

- Form Approval letter

remain approved for use by the library under the conditions in the original approval. No further action is needed.

# Exact Replicas

An exact replica of a prescribed form is the equivalent of the prescribed form and requires no action to install the form.

# Other Forms Used In Lieu of Prescribed Forms

- By installing other forms a library agrees to comply with the form approval conditions.
- Library officials remain responsible to make sure the system and forms installed:
  - Along with manual processes, provide adequate internal controls over financial information, safeguarding of assets, and compliance with laws and regulations.
  - Comply with record retention and public access laws.

# Form Approval Conditions

- Forms and systems installed are subject to review and / or recommendations during audits of a library to ensure compliance with current statutes and Uniform Compliance Guidelines.
- Maintain all other prescribed forms not otherwise covered by an approval.



# Form Approval Conditions (Continued)

- All transactions must be recorded and accessible upon proper request. Transactions can be maintained electronically, with proper backups, microfilmed, or printed hardcopy.
- The ability must not exist to change data after it is posted. If an error is discovered after the entry has been posted, then a separate correcting entry must be made. Both the correcting entry and the original entry must be maintained.

# Form Approval Conditions (Continued)

- Vendors shall provide documentation describing the operating system, the language of the source code, the name of the compiler used, and the structure of the data files to SBOA if requested for audit.
- Any receipts, checks, purchase orders, or other forms that require numbering shall be either pre-numbered by an outside printing supplier or numbered by the computer system with sufficient controls installed to prevent unauthorized generation of the form or duplication of numbers.

# Form Approval Conditions (Continued)

- Recap sheets for each deposit or deposit advices, will be maintained.
- “ Installed by \_\_\_\_\_ Public Library, (Year)” shall be printed in the upper right corner for forms supplied by printers and, when practical, on those printed from the accounting system. Upon installation of a new form, the form will be entered on a log for this purpose with the date of installation; and the name and number of the prescribed form replaced. The log must be available for audit.

## Form Approval Conditions (Continued)

- Library officials are responsible to ensure that forms and accounting systems installed comply with the Uniform Compliance Guidelines in the Manual. This includes ensuring that customization of the system done by the vendor for implementation is done in such a manner that the system remains compliant.

# Form Approval Conditions (Continued)

- In the event a change is required due to the passage of a State or Federal law, the Library agrees to implement the change in a timely manner.